

From S. F.:
China-Larline, 10th.
For S. F.:
Honolulu, Feb. 3.
From Vancouver:
Nagana, Feb. 25.
For Vancouver:
Marama, Feb. 24.

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PENINSULA MOATED FORT

Great Military Canal to Make
Protecting Island for
Pearl Harbor

LEFT OF OAHU'S LINE
TO BE MADE STRONGER

Four Additional Mortars Inside
Rim of Diamond
Head

The final word regarding the defense of Oahu has come from Washington. Extensive as have been the plans previously announced for protecting the great naval base at Pearl Harbor, and resisting the invasion of the island, the scheme of the Macomb board, as outlined by Major-general Wood in a hearing of the fortifications bill before the house sub-committee on appropriations, is more far-reaching than has been generally known here. The report of the Macomb board, composed of Brigadier-general M. M. Macomb, Lieutenant-colonel John F. Morrison and Major George Blakely, was regarded here as strictly confidential, and its text has been closely guarded at this end of the line, but its provisions have now been discussed in open hearing before committee.

The peninsula which juts out into Pearl Harbor west of Ford Island is to be cut off from the mainland by a great canal, 1000 yards long, 150 yards wide and 6 feet deep. The tip of the peninsula will then form an island, which is to be strongly fortified, and which will form the left of the defensive line. Probably strong infantry redoubts will be constructed, to defend the position against direct frontal attack, while batteries on Ford Island will cover the flanks toward Pearl City and Waipahu, and in the direction of Barber's Point, which latter position will be thoroughly cleared. The proposed canal will prevent the storming of the position by infantry, and will make a strongly fortified island, which will cover a former weak point in the scheme of defense.

Four additional 12-inch mortars, to be placed inside the crater of Diamond Head, is another addition to the defensive plan, to guard the eastern end of the island. If an enemy gained a commanding position on the mountain above Fort Ruger, it might silence Battery Harlow, but artillery fire from the ridge could not touch mortars located within the rim of the crater.

"I am not at liberty to discuss this matter of Oahu's land defenses," said General Macomb this morning. "General Wood states in this report of proceedings before the committee that he is explaining the plan of the Macomb board, but I do not care to comment on the plan. This information can

(Continued on page three)

MONUMENTS

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MATSONIA LUNCHEON EMPHASIZES GOODWILL

Businessmen Are Hosts to Capt. Matson And Many Other Guests



Governor L. E. Pinkham, who addressed gathering on "General Remarks."



Captain William Matson, guest of honor at luncheon.



E. Faxon Bishop, who spoke on "Development and Commerce in Hawaii."



E. D. Tenney, whose subject was "The Matson Navigation Company."



George A. Brown, chairman of committee in charge of arrangements.

J. R. DAGGETT WAS DONOR OF GOODLY SUM TO CHARITIES

San Francisco Capitalist Gave
\$10,000 Each to Leahi Home
and the King's Daughters

A pleasing mystery, one which involved the receipt of substantial subscriptions by two local charitable institutions in order that they might broaden the scope of their valuable work, was solved yesterday afternoon when it was learned that it was J. R. Daggett, a capitalist of San Francisco, who, more than a year ago gave to Leahi Home and the King's Daughters \$10,000 each.

The receipt of the money was, naturally, hailed with joy by both institutions but, except to a select few the name of the donor remained a mystery. Yesterday afternoon however, word was received here that the name of the donor might be given to the public, as he had left for the mainland and, being a man of modest disposition, was indisposed to receive the thanks of the entire community for what he considered merely a good expenditure of a portion of his funds.

Mr. Daggett came to Honolulu about 8 or ten years ago and built a residence at Kaimuki. He was greatly interested in the city and especially in the working of the various charitable institutions. His gifts to Leahi Home and the King's Daughters were made but a few months after his arrival here, and were purely from a standpoint of charity, it is said. He is well known both in Honolulu and in San Francisco, being connected with a salmon fisheries concern in the latter city. He left for the mainland a week ago, and it was intimated this morning that his stay in the coast city is indefinite.

SUGAR BRINGS 3.42.

A message received by the Hawaiian Sugar Planters Association yesterday afternoon shows sugar on the New York market to be bringing 3.42. In the same message it is added: "Hawaiian sugars sold during February subject to proposed reduction of duty on Cuban sugars 3.48."

Owen Lloyd, an engineer on the Inter-island steamer Kilauea, received his naturalization papers today. He is a native of New South Wales.

Cheered to the echo by more than 200 businessmen gathered at the Matsonia luncheon at the Young Hotel today, Capt. William Matson, Capt. C. W. Saunders of the new flagship, Capt. H. C. Houdlette, the veteran Oceanic skipper, and a dozen other guests of honor were unanimously elected "non-resident members of Honolulu" and welcomed with as much enthusiasm as the Matsonia was welcomed yesterday into Honolulu waters.

The luncheon began with an informal reception at noon. At 3 o'clock this afternoon it was just ending.

It was after 12:30 o'clock when the informal reception on the second floor of the hotel was concluded and the big crowd proceeded to the upstairs dining-room for the luncheon. Here a pleasant surprise greeted them. The dining-room had been decorated with elaborate care under the direction of Mrs. E. D. Tenney, and Mrs. J. S. Walker. Great sprays of bougainvillea, of a striking shade of reddish-brown, furnished the main part of the decorations and was interspersed with ferns, vines of many kinds and potted plants.

Former Governor Pinkham, president of the Chamber of Commerce, presided, and on his right was Captain Matson. E. D. Tenney, vice president of the Matson Navigation Company, was on his left. On Captain Matson's right was Governor Pinkham and on the governor's right was Gen. M. M. Macomb. Admiral C. B. T. Moore sat at the left of Mr. Tenney.

President Farrington of the Merchants Association, various steamship officials and other speakers were grouped around the central part of the dining-table.

Naturally the Matsonia and Capt. Matson were the main themes of the speakers. From the dining-room the lofty stack of the Matsonia and her flying hulk could be plainly seen lying at her dock and reference was frequent to the splendid flagship.

Before the luncheon was brought to high pitch by an "Ad Club" stunt pulled off by President Farrington, E. A. Bernad and Charles R. Frazier. Toastmaster Carter introduced Farrington who jumped on a chair and declared that he understood some suggestions were to be made concerning the honor guests.

Permit arose and nominated Captain Matson as a "non-resident member of Honolulu" and the captain was elected amid cheers of acclamation. Immediately thereafter Frazier declared that other gentlemen present as guests should be elected and moved adoption for the following:

Capt. C. W. Saunders, Capt. H. C. Houdlette, Capt. J. S. Green, S. I. Alford, Geo. E. Bates, A. C. Baumgartner, Thos. F. Baxter, R. L. Bentley, J. A. Buck, Dr. J. L. Howard, James McNab, Geo. Ross, Wm. H. Ford, D. V. Valentine, E. M. Walsh, "Ned" Adams.

These were all selected with more salvos of cheers, including a special cheer for "Ned" Adams, formerly of Honolulu now of Seattle. Adams arose and bowed.

Then followed the speeches about as arranged for, though some of the guests did not speak. Capt. Matson being one of those who was excused.

E. Faxon Bishop said in part: "In the year 1850 there were 21,792 tons of sugar produced in Hawaii; in '82, the year that I came here, it reached 57,000 tons, and in the 30 years that have intervened, it has increased to (1912) 596,000 tons—the '83 production, having increased 10 times. This recalls an incident of the '80's, when at intervals the reciprocity treaty seemed in danger, as it had run out and was subject to termination at any time that Congress saw fit to say the word, and there were interests that were inimical to Hawaii; Louisiana was not wild with joy over Hawaii's prosperity, and the refinery interests of that day were inclined to be favorable to the idea that Hawaii should get on without treaty benefits. The incident I refer to was this, and while I recall it myself, my old friend and predecessor Peter Cushman Jones

mentioned it the other day when I informed him I was getting up some data for this occasion. It was desired to be known by the people in the states what the possibilities in Hawaii were? How far was it possible for the treaty protection to expand the sugar industry? What was the possible maximum output? I don't recall all of the men that went into conference on this question, but they were the sugar men of that day and were just as keen as any that are on the job today—in fact, I think they were keener than the sugar men of today, in a way, because they were the pioneers, and were carrying on the "pioneering process" under all the burdens incidental to pioneering generally; every plantation was a "next year" affair, and the money to keep them going was hard to get and had to be got on a 12 per cent basis, plus a promise of big returns. Dividends were rare occurrences. These men got together for the purpose of sizing up the possibilities of the sugar business in Hawaii and made a conscientious estimate, based on past experience and the areas apparently yet available for cane culture; the result of their deliberations was that 100,000 tons was the limit, the extreme limit. Thus is measured, gentlemen, the power of the human to look into the future. Our firm, in those early '80's, when Captain Matson was looking for a little ballast, handled about 6000 tons of sugar, and our "Planters' Line" of ships to carry it off were the barkentine Ella of about 400 tons, the W. H. Meyer of about 350 tons, and the English bark Lady Lamson of about 750 tons capacity. I recall distinctly that when the Lamson was reported as off Koko Head, there was a lot of rustling, as well as growling because she was so big that it took a long time to load her and the cargo came in small lumps; the island schooners brought in from 500 to 1000 bags at a time.

"In 1883 the Oceanic line put on the first local steam service of consequence and for a year or two operated the "Mariposa" and "Alameda" semi-monthly, but they were ahead of their time and were finally put in the "Australian service" under subsidy. From that on, we have had a monthly service by the Oceanic line, which has been maintained ever since with commendable regularity and dependability.

"The Matson Company was incorporated in the year 1901, but as a speaker, better informed than I, is to follow me on the operations of this company, I will not take the chance of detracting anything from his talk on that subject.

"In the late '90's, our domestic exports expanded to a point where the Pacific coast could not eat up what Hawaii sent them and this necessitated our employing the markets of the east coast, and for a number of years the Cape Horn clipper of the Dearborn and Sewall ownership particularly, were employed to carry sugars around Cape Horn, and from 50,000 to 100,000 tons of sugar went over this long run to market.

"Meanwhile the traffic between the coast and Hawaii employed a large sailing fleet that was very prosperous, in which Captain Matson was prominently identified, but an evolution was taking place in the direction of steam craft that for the moment did not foredoom the "sailer," but you know today what has happened.

"In the year 1913 the total value of our domestic exports receded, both in volume and value—the value figures having been cut down about \$10,000,000 by the low prevailing world's price of sugar.

"The position of our guest of honor, Captain Matson, in relation to Hawaiian Commerce and its development, has been one of mutual advantage, as he has always stood by to provide what the islands have needed on the transportation end of their development; moreover, we include Captain Matson in that class which we designate as "kamaaina," for the reason that his aloha for the islands has been and is still of the sort that entitles



E. D. Tenney, whose subject was "The Matson Navigation Company."

him to the distinction—if such it be—and I think it is.

James A. Kennedy, president and general manager of the Inter-Island Steam Navigation Company spoke briefly on the development of Honolulu's harbor, arousing enthusiasm by declaring that Honolulu must be ready for the commerce of the future, paying special attention to lower water rates and better wharves.

Mr. Tenney's address, read by J. P. Cooke, gave a brief review of the progress of the Matson company in a vivid and interesting way. In closing, the address said:

"The foregoing is a brief review of the progress of a great transportation company from the little schooner Emma Claudine to the magnificent fleet of steamers flying the Matson flag today. When the large shipping interests of Honolulu placed their forthrightly arrangements with the Pacific Coast in Capt. Matson's hands they also placed on him the responsibility of providing adequate passenger facilities between Honolulu and San Francisco. HE HAS MADE GOOD, and, judging the future by the past, the people of this territory can rest assured that the Matson Navigation Company will keep pace with the march of tourist travel to our shores.

Governor is Last Speaker.

Governor Pinkham was called on as the last speaker at the luncheon. He spoke of his duty as chief executive in carrying out a policy of economy, and strongly hinted that Hawaii's sugar industry was being carefully considered in Washington.

"We must look to Washington for some assistance," he said, "I know there are men there quietly working for the interests of the territory. Now I am not going to tell you exactly what I in my mind. But I do know we are not forgotten in Washington. Just now I am engaged in carrying out a policy of economy, when that matter has been disposed of, I shall have time to give attention to other matters. I cannot assure you of cheaper water rates, because that system is to be taken from the territory to be placed in the hands of Mayor Fern and the officials surrounding him. But whatever I do in the interests of the territory I want the backing of the people."

The luncheon ended with former Governor Carter calling for three cheers for Captain Matson which were lustily and heartily given.

(Continued on page eight)

LIFTS MEXICAN EMBARGO CAN NOW IMPORT ARMS

President Wilson Decides That Order was Discriminatory Inasmuch as Federalists Could Secure Munitions of War Abroad While Constitutionalists Could Not—Americans Prepare to Leave Mexico City

WASHINGTON, D. C., Feb. 3.—President Wilson, today, raised the embargo on the importation of arms into Mexico, the president having decided that the embargo defeated its own purpose and became discriminatory as the federalists under the guidance of Provisional President Huerta, were able to secure supplies and munitions of war in the foreign markets, whereas the constitutionalists were unable to do so. According to the new ruling federalists and constitutionalists alike will be permitted to import all arms desired.

VILLA THREATENS TO EXECUTE SPANIARDS

JUAREZ, Mex., Feb. 3.—Constitutionalist leaders are jubilant over the receipt of news from Washington relative to the lifting of the embargo against the importation of munitions of war into Mexico. They predict that it is but a short time before Huerta's government will fall. General Villa says this action is new proof that the United States is the best friend Mexico has.

Villa further stated, and so has notified the foreign governments that he will execute all Spaniards residing in Torreon if they are captured, because he is positive that they have aided the federalists. He promised, however, to protect American citizens.

AMERICANS HURRY TO LEAVE MEXICO CITY

MEXICO CITY, Feb. 3.—Many Americans are making rush preparations to leave Mexico tonight, as a result of the order issued from Washington to the effect that President Wilson has lifted the embargo against the importation of arms. The American residents fear that the federalists may take exception to the ruling, from the fact that they have been enabled to import from foreign markets.

House Reversed Decision and Defeats Asiatic Exclusion

WASHINGTON, Feb. 3.—Reversing its action of yesterday the House, today, overwhelmingly defeated all Asiatic exclusion amendments of the immigration bill. Democrats and Republicans joined in this action and in the expressions of the belief that it would be unwise, at this time, to embarrass the government in its dealing with the delicate international situation by legislative action. Congressman Mann said "Congress yet will save California against herself."

China's President Takes Another Radical Stand

PEKING, Feb. 3.—President Yuan Shih-kai has dissolved all district councils in the provinces. His action is generally regarded as another step toward establishing himself as a dictator, and suppressing the last vestige of popular government. It is believed that his final move will be vesting of the provincial assemblies, and this it is believed that the administrative council will not approve.

Rockefeller Taxed \$12,000,000

CLEVELAND, O., Feb. 3.—A deputation of Cleveland tax collectors today called at the residence of John D. Rockefeller, and filed a written demand which calls for him to pay \$12,000,000 as taxes on personal property. This tax is computed on the appraisal of his property, which amounts to \$900,000,000. In reply to the demand the oil king declared that his residence was in New York, and that his personal property tax had already been paid there.

Former Congressman Smuggler

NEW YORK, Feb. 3.—Lucius Liattaufer, former congressman, and his brother, William Liattaufer, pleaded guilty to a conspiracy to smuggle jewelry valued at \$17,000 into the United States. Sentence in the case was suspended.

Vanderbilt Yacht Afloat

NEW YORK, Feb. 3.—Frederick Vanderbilt's sea-going yacht Warrior, which stranded on the reef near Colon, and has been swept by the seas for several days, has been floated, and is now being towed for Jamaica.

(Additional cable on page twelve)

DEFENSE LINE TO HOLD OAHU MORE COMPACT

General Wood Explains Plan of
Macomb Board for Land
Defenses

By C. S. ALBERT.

(Special Star-Bulletin Correspondence)
WASHINGTON, Jan. 23.—That it would be impossible to hold the entire island of Oahu in the event of war between the United States and some foreign power with a 15,000 garrison was declared by General Leonard Wood, chief of staff, before the house committee considering the fortifications bill.

When the matter of land defenses for Hawaii was reached General Wood said:

"We find that it would be impossible for us to hold the entire island securely with any garrison which Congress would be willing to give us—any mobile garrison—and therefore we have to contract our defended area and put in a pretty strong line of land

FIGHT COMING IN REPUBLICAN RULES CONCLAVE

Precinct Club Finds 'Jokers' in
Draft of Regulations as
Recommended

Heralding a hot fight in the Republican territorial rules convention in Honolulu on February 24, vigorous attack was made last night in the fifth precinct, fourth district, on the proposed rule changes prepared by a special committee of G. O. P. leaders and sent out with the apparent endorsement of the territorial committee chiefs.

The Republican club of this precinct, after listening to a discussion of the changes proposed and also to a warm attack on these changes, adopted a set of suggestions drafted by L. M. Judd and William Thompson. These suggestions, which radically revise the proposed rules, were filed in writing with the club secretary. With the advocacy of this new